Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Text

CONFIDENTIAL

PAGE 01 ALGIER 00376 01 OF 03 121646Z
ACTION NEA-07

INFO OCT-01 SS-14 ISO-00 EUR-08 SP-02 PM-03 INR-05 CIAE-00
NSC-05 NSCE-00 DODE-00 OMB-01 TRSE-00 L-01 IO-06 EB-04
CU-02 /059 W
----------121832Z 023957 /40
R 121600Z FEB 77
FM AMEMBASSY ALGIERS
TO SECSTATE WASHDC 5906
INFO AMEMBASSY BEIRUT
AMEMBASSY CAIRO
AMEMBASSY JIDDA
AMEMBASSY TRIPOLI
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY RABAT
AMEMBASSY TUNIS
CINCEUR
USMISSION USUN NEW YORK

C O N F I S E N T I A L SECTION 1 OF 3 ALGIERS 0376

LIMDIS

CINCEUR FOR POLAD

E.O. 11652: GDS
TAGS: APOL, AG
SUBJECT: VALEDICTORY MESSAGE - POLITICAL

1. SUMMARY. THERE HAS BEEN SIGNIFICANT IMPROVEMENT IN OUR RELATIONS WITH ALGERIA OVER PAST TWO YEARS, DUE LARGELY TO ALGERIAN INTEREST IN OUR TECHNOLOGY AND MARKET. ALGERIA WILL CONTINUE TO BE A FORCE IN INTERNATIONAL POLITICS AND TO CAUSE TROUBLE, BUT IT HAS DROPPED BACK TO THE SECOND RANK AND AS ITS ECONOMY GROWS MAY BECOME MORE RESPONSIBLE.
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ALGIER 00376 01 OF 03 121646Z

THE COUNTRY LOOKS STABLE UNDER THE DIRECTION OF BOUMEDIENE, AND THE REGIME SEEMS REMARKABLY RELAXED ABOUT OPPOSITION. FOR BETTER OR WROSE, ALGERIA WILL BE DOMINANT POWER IN NOFRTH AFRICA. OUR POSTURE TOWARDS IT SHOULD TAKE INTO ACCOUNT OUR NEED FOR ITS ENERGY RESOURCES. END SUMMARY.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

2. THIS IS A RETROSPECTIVE AND IMPRESSIONISTIC LOOK AT THE DEVELOPMENT OF US-ALGERIAN RELATIONS OVER PAST TWO YEARS AND AT LOCAL POLITICAL PROSPECTS. IT REPRESENTS MY OWN VIEWS, AND NOT NECESSARILY THOSE OF MY COLLEAGUES.

3. TWO CHANGES:

A. US-ALGERIAN RELATIONS - DURING THE PERIOD UNDER CONSIDERATION THERE HAS BEEN A SIGNIFICANT IMPROVEMENT IN US-ALGERIAN RELATIONS, IN SPITE OF ALGERIAN UNHAPPINESS WITH OUR POSITION ON THE SAHARA. THIS CHANGE HAS REFLECTED THE GROWING INTERDEPENDENCE BETWEEN US (DISCUSSED IN MY ECONOMIC VALEDICTORY) AND THE LIMITED CHOICES OPEN TO ALGERIANS. WHILE THERE ARE OTHER SOURCES OF TECHNOLOGY AND OTHER MARKETS, AND WHILE OUR COMPANIES ARE NOT AS EFFICIENT AS GERMANS OR ITALIANS WHEN IT COMES TO CONSTRUCTION IN ALGERIA, OUR POSITIVE APPROACH AND THE SIZE OF OUR MARKET MAKE US THEIR MOST INTERESTING AVAILABLE PARTNER.

4. NATURE AND EXTENT OF IMPROVEMENT SHOULD NOT BE EXAGGERATED. WE DO, HOWEVER, HAVE IMPROVED ACCESS TO SENIOR ALGERIAN OFFICIALS AND ARE NOW ABLE TO CARRY ON SOMETHING OF A DIALOGUE WITH THEM ON SUBJECTS OF MUTUAL INTEREST. THERE HAS FURTHERMORE BEEN A QUANTUM JUMP IN EXPRESSIONS OF OFFICIAL INTEREST IN TECHNICAL AND EDUCATION COOPERATION WITH US. A QUICK
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 ALGIER 00376 01 OF 03 121646Z

COUNT, FOR INSTANCE, SHOWS THAT THE MINISTRIES OF HIGHER EDUCATION, AGIRCULTURE, NATIONAL DEFENSE, HEALTH, AND THE GENDARMERIE HAVE ALL SHOWN INTEREST IN THE PAST TWO YEARS IN OPENING UP ONE OR MORE AVENUES OF COOPERATION. WHILE INDUSTRY AND ENERGY AND FINANCE HAVE HAD CLOSE RELATIONS WITH US FOR SOME TIME, THE OTHER MINISTRIES MENTIONED ABOVE HAVE NOT. AS I HAVE SAID BEFORE, WE HAVE BECOME RESPECTABLE AND A LATENT INTEREST IN THINGS AMERICAN IS NOW BEING ALLOWED TO SURFACE. THUS, PRESIDENT BOUMEDIENE TOLD ME DURING MY FAREWELL CALL THAT HE HOPED THE TEACHING OF ENGLISH WOULD BE EMPHASIZED AND EXPANDED IN THE LOCAL EDUCATION SYSTEM IN ORDER TO GIVE THE ALGERIANS AN ALTERNATIVE TO RELIANCE ON FRENCH CULTURE. HE NOTED THAT THE 1600 ALGERIAN STUDENTS NOW IN THE UNITED STATES ARE A MANIFESTATION OF INCREASED ALGERIAN INTEREST IN OUR TECHNOLOGY AND SAID THAT INTEREST WOULD INCREASE AS THEIR ECONOMY DEVELOPED.

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

T. THE UNITED STATES WILL NEVERTHELESS CONTINUE TO
BE FAIR GAME IN LOCAL MEDIA. WE ARE UNLIKELY EVER TO
QUALIFY AS A BROTHERLY SOCIALIST STATE AND WE CAN
EXPECT THAT OUR POSITIONS ON MOST THIRD WORLD
ISSUES WILL BE CRITICIZED LOCALLY, UNLESS WE UNDERGO
A SUBSTANTIAL CHANGE IN OUR OWN OUTLOOK. THE PRESS
DOESNOT REFLECT THE ATTITUDES OF THE AVERAGE
ALGERIAN, OR NECESSARILY ALWAYS THOSE OF THE GOVERN-
MENT, BUT IT IS AN EXPRESSION OF THE IMAGE WE HAVE
FOR MANY ALGERIANS. WE ARE GOING TO FIND THIS
IRRITATING, BUT SHOULD NOT RISE TO THE BAIT. IT
IS WELL TO PROTEST THE MORE EGREGIOUS OFFENSES, BUT
WE SHOULD IGNURE THE DAILY PINPRICKS, AND HOPE THAT
EVENTUALLY, AS THEIR ECONOMY EXPANDS AND THEY BECOME
MORE INTERESTED IN STABILITY AND LESS IN REVOLUTION,
THE ALGERIANS WILL BECOME MORE RESPONSIBLE.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 ALGIER 00376 02 OF 03 121653Z
ACTION NEA-07

INFO OCT-01 SS-14 ISO-00 EUR-08 SP-02 PM-03 INR-05 CIAE-00
NSC-05 NSCE-00 DODE-00 OMB-01 TRSE-00 L-01 IO-06 EB-04
CU-02 /059 W
----------121831Z 023981 /40
R 121600Z FEB 77
FM AMEMBASSY ALGIERS
TO SECSTATE WASHDC 5907
INFO AMEMBASSY BEIRUT
AMEMBASSY CAIRO
AMEMBASSY JIDDA
AMEMBASSY TRIPOLI
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY RABAT
AMEMBASSY TUNIS
CINCEUR
USMISSION USUN NEW YORK

C O N F I D E N T I A L SECTION 2 OF 3 ALGIERS 0376

LIMDIS

CINCEUR FOR POLAD

6. IN THE MULTILATERAL AREA THE ALGERIANS HAVE PULLED

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

IN THEIR HORNS SOMEWHAT OVER THE PAST 18 MONTHS,
APPARENTLY BECAUSE THEY WERE TIRED OF GETTING ALL THE
OPPROBRIUM FOR THEIR FORWARD POSITION ON THIRD
WORLD ISSUES. THEY ARE STILL A FORCE TO BE RECKONED
WITH, HOWEVER, AND WE WILL CONTINUE TO FIND THEM A THORN
IN OUR SIDE ON MANY ISSUES. WE SHOULD NOT BE AFRAID
TO MAKE OUR POSITION KNOWN TO THEM CLEARLY AND FORCEFULLY,
AND WE MAY HOPE THAT ONE DAY OUR REPRESENTATIONS WILL
HAVE SOME EFFECT.

CONFIDENTIAL

CONFIDENTIAL

7. MALCOLM KERR IN AN ARTICLE SOME TEN YEARS AGO
SAID THAT DOING BUSINESS WITH NASSER WAS LIKE TRYING
TO CHANGE A TIRE ON A MOVING AUTOMOBILE. DOING
BUSINESS WITH ALGERIA IS NOT LIKE THAT. THE CAR IS
NOT MOVING. IT IS JUST THAT THE LUG NUTS WON'T SCREW
ON PROPERLY, BUT WITH ENOUGH CARE AND ATTENTION THE
TIRE WILL EVENTUALLY GET MOUNTED.

8. B. BUILDING INSTITUTIONS - ONE REASON OUR
RELATIONS HAVE IMPROVED HAS BEEN THE ALGERIAN
CONCENTRATION ON INSTITUTION-BUILDING OVER THE PAST
YEAR. BOUMEDIENE, WHO HAS BEEN FOND OF SAYING THAT
ALGERIA WAS "SOLID" BECAUSE IF HE WENT THE PEOPLE
WOULD REMAIN AND WOULD KNOW WHAT TO DO, HAS
NEVERTHELESS BEEN WELL AWARE OF THE LACK OF INSTITUTIONS
TO TAKE OVER SHOULD HE DISAPPEAR. HE HAS NO APPARENT
INTENTION TO SHARE ANY REAL POWER WITH THEM, BUT HE IS
NEVERTHELESS GOING THROUGH A CAREFULLY WORKED-OUT
PROCESS OF SETTING UP INSTITUTIONS, A CONSTITUTION,
A PARLIAMENT, AND A REORGANIZED GOVERNMENT -- TO GIVE
THE REGIME LEGITIMACY AND TO MAKE A POWER TRANSITION
POSSIBLE AT SOME POINT. ENERGIES WHICH MIGHT
OTHERWISE HAVE BEEN EXPENDED ON CAUSING TROUBLE
INTERNATIONALLY HAVE BEEN DEDICATED TO THIS TASK, AND
THE POINT OF IRRITATION BETWEEN US HAVE
DIMINISHED ACCORDINGLY. IN PARTICULAR, THE SAHARA
HAS BEEN PUT ON THE BACK BURNER -- BOUMEDIENE DID
NOT EVEN MENTION THE WORD (ALTHOUGH HE REFERRED TO
IT INDIRECTLY) IN OUR LAST CONVERSATION.

9. THE BUILDING OF THESE INSTITUTIONS HAS NOT BEEN
GREETED WITH A GREAT DEAL OF ENTHUSIASM LOCALLY AND THERE
IS A VOCAL, IF MODES, OPPOSITION TO BOUMEDIENE AND ALL
HIS POLICIES. THE SIGNIFICANCE OF THIS OPPOSITION
IS HARD TO GUAGE, AND ITS FUTURE ROLE WILL BE
DETERMINED TO A LARGE EXTENT BY THE ROLE THE
CONFIDENTIAL

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

INSTITUTIONS ARE ALLOWED TO PLAY. IF THE PARLIAMENT
IN FACT IS ALLOWED TO EXPRESS THE OPINIONS OF ITS
MEMBERS AND ENJOYS SOME AUTHORITY, THE POSITIONS OF
REGIME OPPONENTS MAY BE PRE-EMPTED.

10. TWO QUESTIONS:

A. WILL THE GOA GET IT ALL TOGETHER?: THE ALGERIANS
ARE EMBARKED NOT ONLY ON BUILDING INSTITUTIONS BUT ON
A FORCED DRAFT INDUSTRIALIZATION PROGRAM WHICH HAS
OCCASIONED MUCH WASTE AND A GOOD DEAL OF INEFFICIENT USE
OF RESOURCES. THE BIGGEST SINGLE PROBLEM IS THAT
OF THE LACK OF COMPETENT PEOPLE TO RUN THINGS. MIDDLE
MANAGEMENT IS A WASTE LAND, AND HUNDREDS OF MILLIONS
OF DOLLARS WOTH OF DELAYS HAVE BEEN CAUSED BY GOVERN-
MENTAL INEFFICIENCY. GIVEN THE POPULATION GROWTH RATE
(3.2 PERCENT) AND THE MASSIVE UNEMPLOYMENT (UPWARDS OF 25 PER-
CENT) IT IS HARD TO BE OPTIMISTIC. YET THERE ARE POSITIVE
FACTORS. FOR ONE THING, THERE SEEMS TO BE GENERAL
AGREEMENT ON GOALS AND THERE IS A VERY COMPETENT
ELITE WHICH MAKES DECISIONS ON THE BASIS OF LOGICAL
(IF FLAWED) REASONING RATHER THAN FAMILY INTEREST.
FOR ANOTHER, ALGERIA'S RESOURCES ARE IMPRESSIVE, AND
A CERTAIN AMOUNT OF WASTE CAN BE ABSORBED WITHOUT FATAL
CONSEQUENCES.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 ALGIER 00376 03 OF 03 121700Z
ACTION NEA-07

INFO OCT-01 SS-14 ISO-00 EUR-08 SP-02 PM-03 INR-05 CIAE-00
NSC-05 NSCE-00 DODE-00 OMB-01 TRSE-00 L-01 IO-06 EB-04
CU-02 /059 W
----------121829Z 024018 /40
R 121600Z FEB 77
FM AMEMBASSY ALGIERS
TO SECSTATE WASHDC 5908
INFO AMEMBASSY BEIRUT
AMEMBASSY CAIRO
AMEMBASSY JIDDA
AMEMBASSY TRIPOLI

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY RABAT
AMEMBASSY TUNIS
CINCEUR
USMISSION USUN NEW YORK

C O N F I D E N T I A L SECTION 3 OF 3 ALGIERS 0376

LIMDIS

CINCEUR FOR POLAD

11. IT SEEMS TO ME NECESSARY TO STRIKE A BALANCE SOMEWHERE BETWEEN PANGLOSS AND CASSANDRA. THE ALGERIANS ARE GOING TO FALL SHORT OF THEIR GOALS. HOW SHORT IS THE QUESTION. MY OWN GUESS IS THAT THEY WILL GET ABOUT 80 PER CENT OF WHAT THEY ARE TRYING TO DO DONE. THAT IS A PASSING GRADE, BUT WHETHER THEY WILL BE LEFT WITH AN UNMANAGEABLE INDUSTRIAL ESTABLISHMENT WHICH IS PRODUCING ALL THE WRONG THINGS AT THE WRONG TIME, AND DOING SO POORLY, AS MANY OF MY COLLEAGUES ARGUE, OR WHETHER THEY WILL EVENTUALLY ARRIVE AT A SECOND-RATE BUT NEVERTHELESS FUNCTIONAL EQUILIBRIUM IS THE QUESTION. IT IS EASY TO MAKE COMPARISONS WITH
CONFIDENTIAL

CONFIDENTIAL

MOHAMED ALI'S EXPERIMENT IN 19TH CENTURY EGYPT, BUT THE ALGERIANS ARE CONSIDERABLY MORE SOPHISTICATED, AND HAVE MUCH MORE TO WORK WITH, THAN THE EGYPTIANS WERE AND DID THEN. AS A PERENNIAL OPTIMIST, I WILL BET THE ALGERIANS REACH A SATISFACTORY EQUILIBRIUM SOME TIME WITHIN THE NEXT TWENTY YEARS, BUT I WON'T BET MUCH.

12. B, HOW STABLE IS ALGERIA? THIS IS A QUESTION VERY MUCH ON THE MINDS OF AMERICAN BUSINESSMEN CONTEMPLATING THIS PLACE. IT IS OF COURSE IMPOSSIBLE TO PREDICT WHAT WILL HAPPEN HERE. CHANGE IS INEVITABLE SOONER OR LATER. I AM IMPRESSED, HOWEVER, BY THE RELATIVELY RELAXED ATTITUDE OF THE REGIME. ALTHOUGH THERE IS OPPOSITION TO IT, AS AR AS WE CAN TELL THERE ARE NO POLITICAL PRISONERS EXCEPT SOME FIVE PEOPLE, INCLUDING BEN BELLA, WHO ARE UNDER HOUSE ARREST. THE ARMY IS AS FAR AS WE KNOW LOYAL TO BOUMEDIENE AND IT HOLDS THE KEYS TO POWER. THERE IS ALWAYS THE RISK THAT HE WILL BE ASSASSINATED. IT WOULD BE EASY TO DO. HE OFTEN RIDES UNESCORTED IN THE FRONT SEAT OF A BMW AND FOLLOWS AN ITINEARY THAT FREQUENTLY TAKES HIM THROUGH HEAVY TRAFFIC. I SUSPECT, HOWEVER,THAT, BARRING ACCIDENTS, HE WILL BE WITH US FOR SOME TIME AND THAT HE WILL CONTINUE TO RULE ALGERIA WITH A FIRM HAND. AS LONG AS HE IS IN POWER THERE WILL BE STABILITY. WHEN HE PASSES, SOMEONE ELSE WILL

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

FILL HIS SHOES PEACEFULLY. THE ALGERIANS HAVE HAD THEIR
REVOLUTION.

13. CONCLUSION: I CLOSE WITH THE OBSERVATION THAT, FOR
BETTER OR WORSE, ALGERIA IS GOING TO BE THE DOMINANT POWER
IN NORTH AFRICA. WE MAY FEEL WARM ABOUT TUNISIA AND MOROCCO,
BUT OUR ECONOMIC INTERESTS ARE HERE. THIS IS ONE OF THE
FOUR OR FIVE MOST IMPORTANT STATES ON THE AFRICAN CONTINENT
AND IN DECIDING WHAT OUR POSTURE TOWARDS IT SHOULD BE, WE
SHOULD KEEP IN MIND THE NEED TO HEAT OUR HOMES IN A WINTER

LIKE THAT WE ARE NOW PASSING THROUGH.PARKER
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 ALGIER 00376 03 OF 03 121700Z

CONFIDENTIAL

NNN

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PERSONAL OPINION, INTELLIGENCE ASSESSMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 12-Feb-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977ALGIER00376
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770051-0400
Format: TEL
From: ALGIERS
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770247/aaaabpna.tel
Line Count: 350
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e6116ec7-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 15-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3336046
Secure: OPEN
Status: NATIVE
Subject: VALEDICTORY MESSAGE - POLITICAL
TAGS: PFOR, AG, (PARKER, RICHARD B)
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/e6116ec7-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009